

Model Patent Jury Instructions
for the Northern District of California

September 20, 2004

Working Committee

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I. Introduction

These Model Patent Jury Instructions have been adopted by the Northern District of California as model patent instructions. The court intends to revise these instructions as needed to make them more complete and to ensure compliance with Federal Circuit decisions. The court is indebted to the Working Committee which spent many hours drafting these model instructions. The court also appreciates the input provided by the Advisory Committee consisting of Professor Donald Chisum, Santa Clara University, chair, Professor Janice Mueller, John Marshall Law School, Professor Paul Janicke, University of Houston, and Professor Craig Nard, Marquette University.

The instructions have been prepared to assist judges in communicating effectively and in plain English with jurors in patent cases. The instructions are models and are not intended to be used without tailoring. They are not substitutes for the individual research and drafting that may be required in a particular case.

The instructions include only instructions on patent law. They will need to be supplemented with standard instructions on, among other things, the duties of the judge and jury, the consideration of evidence, the duty to deliberate, and the return of a verdict. The Ninth Circuit Manual of Model Jury Instructions (Civil 2001) is a good reference for standard instructions for civil cases.

The model instructions use the terms “patent holder” and “alleged infringer” in brackets. The names of the parties should be substituted for these terms as appropriate. Other language is bracketed as it may not be appropriate for a particular case. Empty brackets signify additional case specific information to be added, such as patent or claim numbers.

Suggested revisions to these instructions may be sent to the Honorable Ronald M. Whyte at the e-mail address: Ronald_Whyte@cand.uscourts.gov or at his U.S. mail address: U.S. Court Building, 280 S. First Street, San Jose, California 95113.

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WHAT A PATENT IS AND HOW ONE IS OBTAINED

This case involves a dispute relating to a United States patent. Before summarizing the positions of the parties and the legal issues involved in the dispute, let me take a moment to explain what a patent is and how one is obtained.

Patents are granted by the United States Patent and Trademark Office (sometimes called “the PTO”). The process of obtaining a patent is called patent prosecution. A valid United States patent gives the patent owner the right [for up to 20 years from the date the patent application was filed] [for 17 years from the date the patent issued] to prevent others from making, using, offering to sell, or selling the patented invention within the United States or from importing it into the United States without the patent holder’s permission. A violation of the patent owner’s rights is called infringement. The patent owner may try to enforce a patent against persons believed to be infringers by a lawsuit filed in federal court.

To obtain a patent one must file an application with the PTO. The PTO is an agency of the federal government and employs trained examiners who review applications for patents. The application includes what is called a “specification,” which must contain a written description of the claimed invention telling what the invention is, how it works, how to make it and how to use it so others skilled in the field will know how to make or use it. The specification concludes with one or more numbered sentences. These are the patent “claims.” When the patent is eventually granted by the PTO, the claims define the boundaries of its protection and give notice to the public of those boundaries.

After the applicant files the application, a PTO patent examiner reviews the patent application to determine whether the claims are patentable and whether the specification adequately describes the invention claimed. In examining a patent application, the patent examiner reviews records available to the PTO for what is referred to as “prior art.” The examiner also will review prior art if it is submitted to the PTO by the applicant. Prior art is defined by law, and I will give you at a later time specific instructions as to what constitutes prior art. However, in general, prior art includes things that existed before the claimed invention, that were publicly known, or used in a publicly accessible way in this country, or that were patented or described in a publication in any country. The examiner considers, among other things, whether each claim defines an invention that is new, useful, and not obvious in view of the prior art. A patent lists the prior art that the examiner considered; this list is called the “cited references.”

After the prior art search and examination of the application, the patent examiner then informs the applicant in writing what the examiner has found and whether any claim is patentable, and thus would be “allowed.” This writing from the patent examiner is called an “office action.” If the examiner rejects the claims, the applicant then responds and sometimes changes the claims or submits new claims. This process, which is confidential between the examiner and the patent applicant, may go back and forth for some time until the examiner is satisfied that the application and claims meet the requirements for a patent. The papers generated during this time of communicating back and forth between the patent examiner and the applicant make up what is

called the “prosecution history.” All of this material is kept secret between the applicant and the PTO for some time, often until the patent is issued, when it becomes available to the public.

The fact that the PTO grants a patent does not necessarily mean that any invention claimed in the patent, in fact, deserves the protection of a patent. For example, the PTO may not have had available to it all other prior art that will be presented to you. A person accused of infringement has the right to argue here in federal court that a claimed invention in the patent is invalid because it does not meet the requirements for a patent.

A.2. Preliminary Instructions

PATENT AT ISSUE

[The court should show the jury the patent at issue and point out the parts including the specification, drawings and claims including the claims at issue. The court could at this point also hand out its construction of any claim terms and the glossary.]

A.3. Preliminary Instructions

SUMMARY OF CONTENTIONS

To help you follow the evidence, I will now give you a summary of the positions of the parties.

The parties in this case are [patent holder] and [alleged infringer]. The case involves a United States patent obtained by [inventor], and transferred by [inventor] to [patent holder]. The patent involved in this case is United States Patent Number [patent number] which lists [inventor] as the inventor. For convenience, the parties and I will often refer to this patent as the [last three numbers of the patent] patent, [last three numbers of patent] being the last three numbers of its patent number.

[Patent holder] filed suit in this court seeking money damages from [alleged infringer] for allegedly infringing the [] patent by [making], [importing], [using], [selling], and [offering for sale] [products] [methods] that [patent holder] argues are covered by claims [] of the patent. [[Patent holder] also argues that [alleged infringer] has [actively induced infringement of these claims of the [] patent by others] [and] [contributed to the infringement of these claims of the [] patent by others].] The [products] [methods] that are alleged to infringe are [list of accused products or methods].

[Alleged infringer] denies that it has infringed claims [] of the [] patent and argues that, in addition, the claims are invalid. [Add other defenses, if applicable].

Your job will be to decide whether claims [] of the [] patent have been infringed and whether those claims are invalid. If you decide that any claim of the [] patent has been infringed and is not invalid, you will then need to decide any money damages to be awarded to [patent holder] to compensate it for the infringement. [You will also need to make a finding as to whether the infringement was willful. If you decide that any infringement was willful, that decision should not affect any damage award you give. I will take willfulness into account later.]

It is my job as judge to determine the meaning of any claim language that needs interpretation. You must accept the meanings I give you and use them when you decide whether any claim of the patent has been infringed and whether any claim is invalid.

A.4. Preliminary Instructions

OVERVIEW OF APPLICABLE LAW

[The court may want to consider giving preliminary instructions on the patent law applicable to the specific issues in the case. This could help focus the jury on the facts relevant to the issues it will have to decide. If this is done, the instructions intended to be given after the close of evidence could be adapted and given as preliminary instructions. This, of course, would not negate the need to give complete instructions at the close of evidence.]

A.5. Preliminary Instructions

OUTLINE OF TRIAL

The trial will now begin. First, each side may make an opening statement. An opening statement is not evidence. It is simply an outline to help you understand what that party expects the evidence will show.

There are two standards of proof that you will apply to the evidence, depending on the issue you are deciding. On some issues, you must decide whether something is more likely true than not. On other issues you must use a higher standard and decide whether it is highly probable that something is true.

[Patent holder] will then present its evidence on its contention that [some] [the] claims of the [] patent have been [and continue to be] infringed by [alleged infringer] [and that the infringement has been [and continues to be] willful.] To prove infringement of any claim, [patent holder] must persuade you that it is more likely than not that [alleged infringer] has infringed that claim. [To persuade you that any infringement was willful, [patent holder] must prove that it is highly probable that the infringement was willful.]

[Alleged infringer] will go next and present its evidence that the claims of the [] patent are invalid. To prove invalidity of any claim, [alleged infringer] must persuade you that it is highly probable that the claim is invalid. In addition to presenting its evidence of invalidity, [alleged infringer] will put on evidence responding to [patent holder]’s infringement [and willfulness] contention[s].

[Patent holder] will then return and will put on evidence responding to [alleged infringer]’s contention that the claims of the [] patent are invalid. [Patent holder] will also have the option to put on what is referred to as “rebuttal” evidence to any evidence offered by [alleged infringer] of non-infringement [or lack of willfulness].

Finally, [alleged infringer] will have the option to put on “rebuttal” evidence to any evidence offered by [patent holder] on the validity of [some] [the] claims of the [] patent.

[During the presentation of the evidence, the attorneys will be allowed brief opportunities to explain what they believe the evidence has shown or what they believe upcoming evidence will show. Such comments are not evidence and are being allowed solely for the purpose of helping you understand the evidence.]

After the evidence has been presented, [the attorneys will make closing arguments and I will give you final instructions on the law that applies to the case] [I will give you final instructions on the law that applies to the case and the attorneys will make closing arguments]. Closing arguments are not evidence. After the [closing arguments and instructions] [instructions and closing arguments], you will then decide the case.

B.1. Summary of Contentions

SUMMARY OF CONTENTIONS

I will first give you a summary of each side's contentions in this case. I will then tell you what each side must prove to win on each of its contentions. As I previously told you, [patent holder] seeks money damages from [alleged infringer] for allegedly infringing the [] patent by [making,] [importing,] [using,] [selling] and [offering for sale] [products] [methods] that [patent holder] argues are covered by claims [] of the patent. These are the asserted claims of the [] patent. [Patent holder] also argues that [alleged infringer] has [actively induced infringement of these claims of the [] patent by others] [contributed to the infringement of these claims of the [] patent by others]. The [products] [methods] that are alleged to infringe are [list of accused products or methods].

[Alleged infringer] denies that it has infringed the asserted claims of the patent and argues that, in addition, claims [] are invalid. [Add other defenses if applicable.]

Your job is to decide whether the asserted claims of the [] patent have been infringed and whether any of the asserted claims of the [] patent are invalid. If you decide that any claim of the patent has been infringed and is not invalid, you will then need to decide any money damages to be awarded to [patent holder] to compensate it for the infringement. [You will also need to make a finding as to whether the infringement was willful. If you decide that any infringement was willful, that decision should not affect any damage award you make. I will take willfulness into account later.]

B.2. Claim Construction

2.1 INTERPRETATION OF CLAIMS

I have interpreted the meaning of some of the language in the patent claims involved in this case. You must accept those interpretations as correct. My interpretation of the language should not be taken as an indication that I have a view regarding the issues of infringement and invalidity. The decisions regarding infringement and invalidity are yours to make.

[Court gives its claim interpretation. This instruction must be coordinated with instruction 3.5 “Means-Plus-Function Claims—Literal Infringement” if the claims at issue include means-plus-function limitations.]

Authorities

Markman v. Westview Instruments, Inc., 517 U.S. 370, 384-391 (1996); *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1304-13 (Fed. Cir. 1999); *Cybor Corp. v. FAS Techs.*, 138 F.3d 1448 (Fed. Cir. 1998) (*en banc*); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 977 (Fed. Cir. 1995) (*en banc*).

B.3. Infringement

3.1 INFRINGEMENT – BURDEN OF PROOF

I will now instruct you on the rules you must follow in deciding whether [patent holder] has proven that [alleged infringer] has infringed one or more of the asserted claims of the [] patent. To prove infringement of any claim, [patent holder] must persuade you that it is more likely than not that [alleged infringer] has infringed that claim.

Authorities

Seal-Flex, Inc. v. Athletic Track and Court Constr., 172 F.3d 836, 842 (Fed. Cir. 1999); *Morton Int'l, Inc. v. Cardinal Chem. Co.*, 5 F.3d 1464, 1468-69 (Fed. Cir. 1993).

B.3. Infringement

3.2 DIRECT INFRINGEMENT

A patent's claims define what is covered by the patent. A [product] [method] directly infringes a patent if it is covered by at least one claim of the patent.

Deciding whether a claim has been directly infringed is a two-step process. The first step is to decide the meaning of the patent claim. I have already made this decision, [and I will instruct you later as to the meaning of the asserted patent claims] [and I have already instructed you as to the meaning of the asserted patent claims]. The second step is to decide whether [alleged direct infringer] has [made,] [used,] [sold,] [offered for sale] or [imported] within the United States a [product] [method] covered by a claim of the [] patent. You, the jury, make this decision.

[With one exception,] you must consider each of the asserted claims of the patent individually, and decide whether [alleged direct infringer]'s [product] [method] infringes that claim. [The one exception to considering claims individually concerns dependent claims. A dependent claim includes all of the requirements of a particular independent claim, plus additional requirements of its own. As a result, if you find that an independent claim is not infringed, you must find that its dependent claims are also not infringed. On the other hand, if you find that an independent claim has been infringed, you must still separately decide whether the additional requirements of its asserted dependent claims have also been infringed.]

There are two ways in which a patent claim may be directly infringed. A claim may be "literally" infringed, or it may be infringed under the "doctrine of equivalents." The following instructions will provide more detail on these two types of direct infringement. [You should note, however, that what are called "means-plus-function" requirements in a claim are subject to different rules for deciding direct infringement. These separate rules apply to claims []. I will describe these separate rules shortly.]

Authorities

35 U.S.C. § 271; *Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997); *DeMarini Sports, Inc. v. Worth, Inc.*, 239 F.3d 1314, 1330 (Fed. Cir. 2001); *Seal-Flex, Inc. v. Athletic Track and Court Constr.*, 172 F.3d 836, 842 (Fed. Cir. 1999); *Carroll Touch, Inc. v. Electro Mech. Sys., Inc.*, 15 F.3d 1573, 1576 (Fed. Cir. 1993).

B.3. Infringement

3.3 LITERAL INFRINGEMENT

To decide whether [alleged infringer]’s [product] [method] literally infringes a claim of the [] patent, you must compare that [product] [method] with the patent claim and determine whether every requirement of the claim is included in that [product] [method]. If so, [alleged infringer]’s [product] [method] literally infringes that claim. If, however, [alleged infringer]’s [product] [method] does not have every requirement in the patent claim, [alleged infringer]’s [product] [method] does not literally infringe that claim. You must decide literal infringement for each asserted claim separately.

Authorities

Netword, LLC v. Centraal Corp., 242 F.3d 1347, 1353 (Fed. Cir. 2001); *Wenger Mfg., Inc. v. Coating Mach. Sys., Inc.*, 239 F.3d 1225, 1238 (Fed. Cir. 2001); *Cole v. Kimberly-Clark Corp.*, 102 F.3d 524, 532 (Fed. Cir. 1996).

B.3. Infringement

3.3a PERFORMANCE OF FUNCTION OF CLAIM IN SUBSTANTIALLY DIFFERENT WAY¹

Even if the accused product falls within the literal scope of claim [] of the [] patent, the product does not infringe that claim if the product is so far changed in principle from the invention described in the patent specification that persons of ordinary skill in the field would find that the product performs the required function of the invention in a substantially different way.

Authorities

Graver Tank & Mfg. Co. v. Linde Air Prod. Co., 339 U.S. 605, 608-609 (1950); *Westinghouse v. Boyden Power Brake Co.*, 170 U.S. 537, 568 (1898); *Scripps Clinic and Research Found. v. Genentech, Inc.*, 927 F.2d 1565, 1581 (Fed. Cir. 1991); *SmithKline Diagnostics, Inc. v. Helena Labs Corp.*, 859 F.2d 878, 889 (Fed. Cir. 988); *Kalman v. Kimberly-Clark Corp.*, 713 F.2d 760, 770 (Fed. Cir. 1983); *Precision Metal Fabricators, Inc. v. Jetstream Sys. Co.*, 693 F. Supp. 814, 818-19 (N.D. Cal. 1988).

¹ This instruction should be given only in the rare case in which the reverse doctrine of equivalents has been raised by the admission of evidence showing that the accused product performs the function of the invention in a way that is substantially different in principle from the way the invention described in the patent performs the function.

B.3. Infringement

3.4 INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS

If you decide that [alleged infringer]’s [product] [method] does not literally infringe an asserted patent claim, you must then decide whether that [product] [method] infringes the asserted claim under what is called the “doctrine of equivalents.”

Under the doctrine of equivalents, the [product] [method] can infringe an asserted patent claim if it includes [parts] [steps] that are identical or equivalent to the requirements of the claim. If the [product] [method] is missing an identical or equivalent [part] [step] to even one requirement of the asserted patent claim, the [product] [method] cannot infringe the claim under the doctrine of equivalents. Thus, in making your decision under the doctrine of equivalents, you must look at each individual requirement of the asserted patent claim and decide whether the [product] [method] has an identical or equivalent [part] [step] to that individual claim requirement.

A [part] [step] of a [product] [method] is equivalent to a requirement of an asserted claim if a person of ordinary skill in the field would think that the differences between the [part] [step] and the requirement were not substantial as of the time of the alleged infringement.

[One way to decide whether any difference between a requirement of an asserted claim and a [part] [step] of the [product] [method] is not substantial is to consider whether, as of the time of the alleged infringement, the [part] [step] of the [product] [method] performed substantially the same function, in substantially the same way, to achieve substantially the same result as the requirement in the patent claim.]

[In deciding whether any difference between a claim requirement and the [product] [method] is not substantial, you may consider whether, at the time of the alleged infringement, persons of ordinary skill in the field would have known of the interchangeability of the [part] [step] with the claimed requirement. The known interchangeability between the claim requirement and the [part] [step] of the [product] [method] is not necessary to find infringement under the doctrine of equivalents. However, known interchangeability may support a conclusion that the difference between the [part] [step] in the [product] [method] and the claim requirement is not substantial. The fact that a [part] [step] of the [product] [method] performs the same function as the claim requirement is not, by itself, sufficient to show known interchangeability.]

[You may not use the doctrine of equivalents to find infringement if you find that [alleged infringer]’s [product] [method] is the same as what was in the prior art before the application for the [] patent or what would have been obvious to persons of ordinary skill in the field in light of what was in the prior art. A patent holder may not obtain, under the doctrine of equivalents, protection that it could not have lawfully obtained from the Patent and Trademark Office.]²

² If this instruction is applicable in a given case, then the court should instruct the jury that if [alleged infringer] has made a “prima facie” case that the accused [product] [method] is in the prior art, the burden shifts to the [patent holder] to prove that what it attempts to cover under the doctrine of equivalents is not in the prior art or would not have been obvious from the prior art. See *Fiskares, Inc. v. Hunt Mfg. Co.*, 221 F.3d 1318 (Fed. Cir. 2000); *Ultra-Tex Surfaces, Inc. v. Hill Bros. Chem. Co.*, 204 F.3d 1360 (Fed. Cir. 2000); *Streamfeeder, LLC v. Sure-Feed Systems, Inc.*, 175 F.3d 974 (Fed. Cir. 1999).

[You may not use the doctrine of equivalents to find infringement if you find that [alleged infringer]'s [product] [method] was described in the [] patent but not covered by any of its claims.]

Authorities

Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co., 520 U.S. 17 (1997); *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 609 (1950); *Johnson & Johnson Assoc. v. R.E. Service Co.*, 285 F.3d 1046 (Fed. Cir. 2002) (*en banc*); *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1480 (Fed. Cir. 1998); *Dolly, Inc. v. Spalding & Evenflo Cos.*, 16 F.3d 394, 397 (Fed. Cir. 1994).

B.3. Infringement

3.5 MEANS-PLUS-FUNCTION CLAIMS – LITERAL INFRINGEMENT³

I will now describe the separate rules that apply to “means-plus-function” requirements that are used in some claims. Claims [] in the [] patent contain “means-plus-function” requirements. A means-plus-function requirement only covers the specific [structure] disclosed in a patent specification for performing the claimed function and the equivalents of those specific [structure] that perform the claimed function. A means-plus-function requirement does not cover all possible [structure] that could be used to perform the claimed function.

For purposes of this trial, I have interpreted each means-plus-function requirement for you and identified the [structure] in the patent specification that correspond to these means-plus-function requirements. Specifically, I have determined that:

[X. [] is [are] the [structure] that perform[s] the [] function identified in the means-plus-function requirement of claim [].]

[X. [] is [are] the [structure] that perform[s] the [] function identified in the means-plus-function requirement of claim [].]

In deciding if [patent holder] has proven that [alleged infringer]’s [product] includes structure covered by a means-plus-function requirement, you must first decide whether the [product] has any structure that performs the function I just described to you. If not, the claim containing that means-plus-function requirement is not infringed.

If you find that the [alleged infringer]’s [accused product] does have structure that performs the claimed function, you must next identify the [structure] in [alleged infringer]’s [accused product] that perform[s] this function. After identifying that [structure], you must then determine whether that [structure] is the same as or equivalent to the [structure] I have identified. If they are the same or equivalent, the means-plus-function requirement is satisfied by that structure of the [accused product]. If all the other requirements of the claim are satisfied by structures found in the [accused product], the [accused product] infringes the claim.

In order to prove that [a structure] in the [accused product] is equivalent to the [structure] in the [] patent, the [patent holder] must show that a person of ordinary skill in the field would have considered that the differences between the [structure] described in the [] patent and the [structure] in the [accused product] are not substantial. The [patent holder] must also show that the [structure] was available on the date the [] patent was granted.⁴

³ If a claim at issue is a method claim with a limitation written in “step-plus-function” format, this instruction should be modified accordingly, for example, substituting “acts” for “structure.”

⁴ There is an important difference between what can be an equivalent under § 112(6) and what can be an equivalent under the doctrine of equivalents. An equivalent structure or act under § 112(6) cannot embrace technology developed after the issuance of the patent because the literal meaning of a claim is fixed upon its issuance. *Chiuminatta Concrete Concepts, Inc. v. Cardinal Indus., Inc.*, 145 F.3d 1303, 1307 (Fed. Cir. 1998); *Al-Site Corp. v. VSI Int’l, Inc.*, 174 F.3d 1308, 1320 (Fed. Cir. 1999). Although new matter cannot be added to a patent application after it has been filed, current Federal Circuit law nevertheless uses the patent issuance date, as opposed

Authorities

35 U.S.C. § 112(6); *Odetics, Inc. v. Storage Tech. Corp.*, 185 F.3d 1259, 1266 (Fed. Cir. 1999); *Chiuminatta Concrete Concepts, Inc. v. Cardinal Indus., Inc.*, 145 F.3d 1303, 1307 (Fed. Cir. 1998); *Micro Chem., Inc. v. Great Plains Chem. Co., Inc.*, 103 F.3d 1538, 1547 (Fed. Cir. 1997); *Valmont Indus., Inc. v. Reinke Mfg. Co., Inc.*, 983 F.2d 1039, 1042 (Fed. Cir. 1993).

to the effective filing date, to distinguish what constitutes an “after arising equivalent.” An after arising equivalent infringes, if at all, under the doctrine of equivalents and could infringe under the doctrine of equivalents without infringing literally under § 112(6). Furthermore, under § 112(6) the accused device must perform the identical function as recited in the claim element while the doctrine of equivalents may be satisfied when the function performed by the accused device is only substantially the same. *Al-Site*, 174 F3d. at 1320-21.

B.3. Infringement

3.6 MEANS-PLUS-FUNCTION CLAIMS – INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS

[No model instruction is provided since an instruction on this subject is necessarily case specific. However, a means-plus-function requirement can be met under the doctrine of equivalents if the function is not the same but is equivalent (*see, e.g., WMS Gaming Inc. v. Int'l Game Tech.*, 84 F.3d 1339, 1353 (Fed. Cir. 1999) or the corresponding structure in the accused product is later developed technology. *See Chiuminatta Concrete Concepts, Inc. v. Cardinal Indus., Inc.*, 145 F.3d 1303, 1310 (Fed. Cir. 1998); *Al-Site Corp. v. VSI Int'l, Inc.*, 174 F.3d 1308, 1320 (Fed. Cir. 1999).]

B.3. Infringement

3.7 LIMITATIONS ON THE DOCTRINE OF EQUIVALENTS

Because [patent holder] made certain claim changes or statements during the patent application process for the [] patent, the doctrine of equivalents analysis cannot be applied to the following requirements of the asserted claims:

[List requirements on a claim-by-claim basis]

Unless each of these requirements is literally present within the [alleged infringer]'s [product] [method], there can be no infringement of the claim.

Authorities

Honeywell Int'l Inc. v. Hamilton Sundstrand Corp., 370 F.3d 1131 (Fed. Cir. 2004); *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 344 F.3d (Fed. Cir. 2003) (*en banc*).

B.3. Infringement

3.8 INDIRECT INFRINGEMENT – GENERALLY⁵

[Patent holder] [also] argues that [alleged infringer] [contributed to infringement by another of] [and] [or] [induced another to infringe] claims [] of the [] patent. [[Patent holder] has not argued that the [product] [method] made, used, sold, offered for sale or imported by [alleged infringer] includes all of the requirements of an asserted patent claim.] [Alleged infringer] cannot [contributorily infringe] [or] [induce infringement] unless [patent holder] proves that someone other than [alleged infringer] directly infringes the patent claim by making, using, selling, offering for sale or importing a [product] [method] that includes all of the requirements of the asserted claims. If there is no direct infringement, [alleged infringer] cannot have [contributed to infringement] [or] [induced infringement].

Authorities

Hewlett-Packard Co. v. Bausch & Lomb, Inc., 909 F.2d 1464, 1468-69 (Fed. Cir. 1990); *Met-Coil Sys. Corp. v. Korners Unlimited, Inc.*, 803 F.2d 684, 687 (Fed. Cir. 1986).

⁵ These instructions are written for the usual case in which the alleged infringer is accused of contributing to or inducing direct infringement by another. They are not appropriate for cases in which the alleged infringer induced another to take some action that itself only contributed to infringement. Nor are they appropriate for cases in which the patent claim requires two or more people to act in concert in order to infringe. The Committee expresses no opinion as to whether such conduct gives rise to a legally viable assertion of contributory or inducement of infringement.

B.3. Infringement

3.9 CONTRIBUTORY INFRINGEMENT

[Patent holder] [also] argues that [alleged infringer] has contributed to infringement by another. Contributory infringement may arise when someone supplies something that is used to infringe one or more of the patent claims.

In order for there to be contributory infringement by [alleged infringer], someone other than [alleged infringer] must directly infringe a claim of the [] patent; if there is no direct infringement by anyone, there can be no contributory infringement.

If you find someone has directly infringed the [] patent, then contributory infringement exists if:

- (1) [Alleged infringer] supplied an important component of the infringing part of the [product] or [method];
- (2) The component is not a common component suitable for non-infringing use; and
- (3) [Alleged infringer] supplied the component with the knowledge of the [] patent and knowledge that the component was especially made or adapted for use in an infringing manner.

Authorities

35 U.S.C. § 271(c); *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476 (1964); *Mentor H/S, Inc. v. Med. Device Alliance, Inc.*, 244 F.3d 1365 (Fed. Cir. 2001); *Hewlett-Packard Co. v. Bausch & Lomb, Inc.*, 909 F.2d 1464, 1469 (Fed. Cir. 1990); *Preemption Devices, Inc. v. Minn. Mining & Mfr. Co.*, 803 F.2d 1170, 1174 (Fed. Cir. 1986).

B.3. Infringement

3.10 INDUCING PATENT INFRINGEMENT

[Patent holder] argues that [alleged infringer] has actively induced another to infringe the [] patent. In order for there to be inducement of infringement by [alleged infringer], someone else must directly infringe a claim of the [] patent; if there is no direct infringement by anyone, there can be no inducement of infringement. Active inducement exists if [alleged infringer] took action that actually induced direct infringement by another, and [alleged infringer] knew or should have known that taking such action would induce direct infringement. It is not enough that the [alleged infringer] knew only of the acts alleged to constitute infringement; [alleged infringer] must have known that those acts actually constituted infringement. [[Alleged infringer] cannot be liable for inducing infringement if it was not aware of the existence of the [] patent.]

Authorities

35 U.S.C. § 271(b); *Metabolite Laboratories, Inc. v. Laboratory Corp. of America*, 370 F.3d 1354, 1365 (Fed. Cir. 2004); *Ferguson Beauregard/Logic Controls, Division of Dover Resources, Inc. v. Mega Systems, LLC*, 350 F.3d 1327, 1342 (Fed. Cir. 2003).

B.3. Infringement

3.11 WILLFUL INFRINGEMENT

In this case, [patent holder] argues both that [alleged infringer] infringed and that [alleged infringer] infringed willfully. To prove willful infringement, [patent holder] must persuade you that it is “highly probable” that [alleged infringer] willfully infringed.

Specifically, [patent holder] must demonstrate that it is highly probable that:

- A. [Alleged infringer] had actual knowledge of the [] patent; and
- B. [Alleged infringer] had no reasonable basis for believing (1) that [alleged infringer]’s [product] [method] did not infringe the [] patent or (2) that the [] patent was invalid [or unenforceable].⁶

In deciding whether [alleged infringer] committed willful infringement, you must consider all of the facts, which include but are not limited to:

- A. Whether [alleged infringer] intentionally copied a product of [patent holder] covered by the [] patent;
- B. Whether [alleged infringer], when it learned of [patent holder]’s patent protection, investigated the scope of the patent and formed a good-faith belief that the patent was invalid [or unenforceable] or that it was not infringed;
- C. Whether [alleged infringer] had a substantial defense to infringement and reasonably believed that the defense would be successful if litigated;
- D. Whether [alleged infringer] made a good faith effort to avoid infringing the patent; and
- E. [Whether [alleged infringer] relied on a legal opinion that appeared to it to be well-supported and believable and that advised [alleged infringer] (1) that the [product] [method] did not infringe the [] patent or (2) that the [] patent was invalid [or unenforceable].]⁷

⁶ If unenforceability is an issue, the court will need to give further instruction to the jury explaining the requirements for the particular theory of unenforceability relied on by [alleged infringer].

⁷ Factor E should be included only if the alleged infringer relies on a legal opinion as a defense to an allegation of willful infringement. “[I]t is inappropriate to draw an adverse inference that undisclosed legal advice for which attorney-client privilege is claimed was unfavorable . . . (and) it is (also) inappropriate to draw a similar adverse inference from failure to consult counsel.” *Knorr-Bremse v. Dana Corporation*, 2004 WL 2049342 *5 (Fed.Cir. (Va.)).

Authorities

35 U.S.C. § 284; *Knorr-Bremse v. Dana Corporation*, 2004 WL 2049342 *5 (Fed.Cir. (Va.)); *Crystal Semiconductor Corp. v. Trittech Microelectronics Int'l, Inc.*, 246 F.3d 1336, 1346 (Fed. Cir. 2001); *WMS Gaming Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1354 (Fed. Cir. 1999); *Read Corp. v. Portec, Inc.*, 970 F.2d 816 (Fed. Cir. 1992); *Gustafson, Inc. v. Intersystems Indus. Prods., Inc.*, 897 F.2d 508, 510 (Fed. Cir. 1990).

B.4.1 Validity

4.1 INVALIDITY – BURDEN OF PROOF

I will now instruct you on the rules you must follow in deciding whether [alleged infringer] has proven that claims [] of the [] patent are invalid. To prove invalidity of any patent claim, [alleged infringer] must persuade you that it is highly probable that the claim is invalid.

I will now instruct you on the invalidity issues that you will have to decide in this case.

Authorities

Buildex, Inc. v. Kason Indus., Inc., 849 F.2d 1461, 1463 (Fed. Cir. 1988); *Hybritech, Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375 (Fed. Cir. 1986).

4.2a WRITTEN DESCRIPTION REQUIREMENT

[Alleged infringer] can meet its burden of proving that a patent claim is invalid by showing that the patent does not contain an adequate written description of the claimed invention. In the course of the prosecution of the patent application, the claims may be changed between the time the [original] patent application is first filed and the time the patent is finally granted. An inventor may amend the claims in his or her original application or add new claims. The changes may narrow the scope of the claims or may broaden their scope. The purpose of the written description requirement is to make sure that the inventor had in mind the invention as claimed in the issued patent, at the time the application for the patent was originally filed. The written description requirement is satisfied if a person of ordinary skill in the field reading the patent application as originally filed would recognize that the patent application described the invention as finally claimed in the patent. A requirement in a claim need not be specifically disclosed in the patent application as originally filed if persons of ordinary skill would understand that the missing requirement is necessarily implied in the patent application as originally filed.

Authorities

35 U.S.C. § 112(1) and (2); *Chiron Corp. v. Genentech, Inc.*, 363 F.3d 1247 (Fed. Cir. 2004); *Purdue Pharma L.P. v. Faulding, Inc.*, 230 F.3d 1320, 1323 (Fed. Cir. 2000); *Lampi Corp. v. Am. Power Prods., Inc.*, 228 F.3d 1365, 1377-78 (Fed. Cir. 2000); *Gentry Gallery, Inc. v. Berkline Corp.*, 134 F.3d 1473, 1478-80 (Fed. Cir. 1998); *In re Alton*, 76 F.3d 1168, 1172 (Fed. Cir. 1996).

B.4.2 Validity—Adequacy of Patent Specification

4.2b ENABLEMENT

[Alleged infringer] can meet its burden of proving that a patent claim is invalid by showing that the patent does not contain a description of the claimed invention that is sufficiently full and clear to enable persons of ordinary skill in the field to make and use the invention. This is known as the “enablement” requirement. If a patent claim is not enabled, it is invalid.

The patent is enabling if it permits persons of ordinary skill in the field to make and use the invention without having to do excessive experimentation. Some amount of experimentation to make and use the invention is allowable. The factors you may consider in deciding whether the amount of experimentation necessary to make or use the invention is excessive include:

- the time and cost of any necessary experimentation;
- how routine any necessary experimentation is in the field of [identify field];
- whether the patent discloses specific working examples of the claimed invention;
- the amount of guidance presented in the patent;
- the nature and predictability of the field;
- the level of ordinary skill in the field of [identify field]; and
- the scope of the claimed invention.

Enablement is tested as of the date the original patent application was first filed.

Authorities

35 U.S.C. § 112(1); *Union Pac. Resources Co. v. Chesapeake Energy Corp.*, 236 F.3d 684, 690-92 (Fed. Cir. 2001); *Ajinomoto Co. v. Archer-Daniels-Midland Co.*, 228 F.3d 1338, 1345-46 (Fed. Cir. 2000); *In re Wands*, 858 F.2d 731, 737 (Fed. Cir. 1988).

B.4.2 Validity—Adequacy of Patent Specification

4.2c BEST MODE

[Alleged infringer] can meet its burden of proving that a patent claim is invalid by showing that the patent does not disclose what [the inventor] [any of the inventors] believed was the best way to carry out the claimed invention at the time the patent application was filed. This is known as the “best mode” requirement. It ensures that the public obtains a full disclosure of the best way to carry out the claimed invention known to [the inventor] [any of the inventors] at the time the [original] patent application was first filed. The disclosure of the best mode must be detailed enough to enable persons of ordinary skill in the field of [identify field] to carry out that best mode without excessive experimentation.

The best mode requirement focuses on what [the inventor] [any of the inventors] believed at the time the [original] patent application was first filed. It does not matter whether the best mode contemplated by [the inventor] [any of the inventors] was, in fact, the best way to carry out the invention. The question is whether the patent includes what [the inventor] [any of the inventors] believed was the best mode at the time the [original] patent application was filed. If [the inventor did not believe] [none of the inventors believed] there was a best way to carry out the invention at the time that application was filed, there is no requirement that the patent describe a best mode. Although a patent specification must disclose the best mode, it may disclose other modes as well and need not state which of the modes disclosed is best. If [the inventor] [any of the inventors] believed there was a best way to carry out the invention and the patent does not disclose it, the patent is invalid.

Authorities

35 U.S.C. § 112(1); *Glaxo Inc. v. Novopharm Ltd.*, 52 F.3d 1043, 1049-52 (Fed. Cir. 1995); *Transco Prods. v. Performance Contracting*, 38 F.3d 551 (Fed. Cir. 1994); *Wahl Instruments v. Acvious*, 950 F.2d 1575 (Fed. Cir. 1991); *Chemcast Corp. v. Arco Indus. Corp.*, 913 F.2d 923, 926-28 (Fed. Cir. 1990); *Spectra-Physics Inc. v. Coherent, Inc.*, 827 F.2d 1524 (Fed. Cir. 1987).

4.3a1 ANTICIPATION

A patent claim is invalid if the claimed invention is not new. For the claim to be invalid because it is not new, all of its requirements must be in a single previous device or method, or described in a single previous publication or patent. We call these things “prior art references.” The description in a reference does not have to be in the same words as the claim, but all the requirements must be there, either stated or necessarily implied, so that someone of ordinary skill in the field of [identify field] looking at that one reference would be able to make and use the claimed invention.

Here is a list of the ways that [alleged infringer] can show that a patent claim was not new [use those that apply to this case]:

[– if the claimed invention was already publicly known or publicly used by others in the United States before [insert date of conception unless in issue];]

[– if the claimed invention was already patented or described in a printed publication anywhere in the world before [insert date of conception unless in issue]. [A reference is a “printed publication” if it is accessible to those interested in the field, even if it is difficult to find.];]

[– if the claimed invention was already made by someone else in the United States before [insert date of conception unless in issue], if that other person had not abandoned the invention or kept it secret;]

[– if the claimed invention was already described in another issued U.S. patent or published U.S. patent application that was based on a patent application filed before [insert date of the patent holder’s application filing date] [or] [insert date of conception unless in issue];]

[– if [named inventor] did not invent the claimed invention but instead learned of the claimed invention from someone else;]

[– if the [patent holder] and [alleged infringer] dispute who is a first inventor, the person who first conceived of the claimed invention and first reduced it to practice is the first inventor. If one person conceived of the claimed invention first, but reduced to practice second, that person is the first inventor only if that person (a) began to reduce the claimed invention to practice before the other party conceived of it and (b) continued to work diligently to reduce it to practice. [A claimed invention is “reduced to practice” when it has been tested sufficiently to show that it will work for its intended purpose or when it is fully described in a filed patent application].]

[Since it is in dispute, you must determine a date of conception for the [claimed invention] [and/or] [prior invention]. Conception is the mental part of an inventive act and is proven when the invention is shown in its complete form by drawings, disclosure to another or other forms of evidence presented at trial.]

Authorities

35 U.S.C. § 102(a), (c), (e), (f) and (g); *Apotex U.S.A., Inc. v. Merck & Co.*, 254 F.3d 1031, 1035 (Fed. Cir. 2001); *Mycogen Plant Science, Inc. v. Monsanto Co.*, 243 F.3d 1316, 1330 (Fed. Cir. 2001); *Ecolochem, Inc. v. S. Cal. Edison Co.*, 227 F.3d 1361, 1367-70 (Fed. Cir. 2000); *Singh v. Brake*, 222 F.3d 1362, 1366-70 (Fed. Cir. 2000); *Pannu v. Iolab Corp.*, 155 F.3d 1344, 1349 (Fed. Cir. 1998); *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1576-78 (Fed. Cir. 1997); *Lamb-Weston, Inc. v. McCain Foods, Ltd.*, 78 F.3d 540, 545 (Fed. Cir. 1996); *In re Bartfeld*, 925 F.2d 1450 (Fed. Cir. 1985); *Ralston Purina Co. v. Far-Mar-Co, Inc.*, 772 F.2d 1570, 1574 (Fed. Cir. 1985); *American Stock Exch., LLC v. Mopies*, 250 F. Supp. 2d 323 (S.D.N.Y. 2003); *In re Wyer*, 655 F.2d 221, 226 (C.C.P.A. 1981).

B.4.3 Validity—The Claims

4.3a2 STATUTORY BARS

A patent claim is invalid if the patent application was not filed within the time required by law. This is called a “statutory bar.” For a patent claim to be invalid here, all of its requirements must have been present in one prior art reference more than a year before the patent application was filed. Here is a list of ways [alleged infringer] can show that the patent application was not timely filed: [choose those that apply]

[– if the claimed invention was already patented or described in a printed publication anywhere in the world before [insert date that is one year before effective filing date of patent application]. [A reference is a “printed publication” if it is accessible to those interested in the field, even if it is difficult to find.];]

[– if the claimed invention was already being openly used in the United States before [insert date that is one year before application filing date] and that use was not primarily an experimental use (a) controlled by the inventor, and (b) to test whether the invention worked for its intended purpose;]

[– if a device or method using the claimed invention was sold or offered for sale in the United States, and that claimed invention was ready for patenting, before [insert date that is one year before application filing date]. [The claimed invention is not being [sold] [or] [offered for sale] if the [patent holder] shows that the [sale] [or] [offer for sale] was primarily experimental.] [The claimed invention is ready for patenting if it was actually built, or if the inventor had prepared drawings or other descriptions of the claimed invention that were sufficiently detailed to enable a person of ordinary skill in the field to make and use the invention based on them.];]

[– if the [patent holder] had already obtained a patent on the claimed invention in a foreign country before filing the original U.S. application, and the foreign application was filed at least one year before the U.S. application.]

For a claim to be not new because of a prior art reference dated at least one year earlier than the effective filing date of the patent application, all of the claimed requirements must have been specifically disclosed in the reference, or would have to have been known to a person of ordinary skill in the field to have been necessarily present in the reference. The disclosure in a reference does not have to be in the same words as the claim, but all the requirements must be there, either described in enough detail or necessarily implied, to enable someone of ordinary skill in the field of [identify field] looking at the reference to make and use the claimed invention.

Authorities

35 U.S.C. § 102(b) and (d); *Pfaff v. Wells Elec. Inc.*, 525 U.S. 55 (1998); *Helifix Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1346 (Fed. Cir. 2000); *Abbot Labs. v. Geneva Pharms., Inc.*, 182 F.3d 1315, 1318 (Fed. Cir. 1999); *Finnigan Corp. v. Int’l Trade Comm’n*, 180 F.3d 1354 (Fed. Cir.

1999); *J.A. LaPorte, Inc. v. Norfolk Dredging Co.*, 787 F.2d 1577, 1581 (Fed. Cir. 1986); *In re Hall*, 781 F.2d 897, 898-99 (Fed. Cir. 1986); *D.L. Auld Co. v. Chroma Graphics Corp.*, 714 F.2d 1144, 1150 (Fed. Cir. 1983).

4.3b OBVIOUSNESS

A patent claim is invalid if the claimed invention would have been obvious to a person of ordinary skill in the field [at the time the application was filed] [as of [insert date]]. This means that even if all of the requirements of the claim cannot be found in a single prior art reference that would anticipate the claim or constitute a statutory bar to that claim, a person of ordinary skill in the field of [identify field] who knew about all this prior art would have come up with the claimed invention. The claimed invention is not obvious unless there was something in the prior art or within the understanding of a person of ordinary skill in the field that would suggest the claimed invention. You must be careful not to determine obviousness using the benefit of hindsight. You should put yourself in the position of a person of ordinary skill in the field at the time the invention was made and you should not consider what is known today or what is learned from the teaching of the patent.

Your conclusion about the question whether a claim is obvious must be based on several factual decisions that you must make. First, you must decide the scope and content of the prior art. Second, you must decide what difference, if any, exists between the claim and the prior art. Third, you must decide the level of ordinary skill in the field that someone would have had at the time the claimed invention was made. Finally, you must consider any evidence that has been presented with respect to the following: [use those that apply to this case]

- [(1) commercial success due to the merits of the claimed invention;]
- [(2) a long felt need for the solution provided by the claimed invention;]
- [(3) unsuccessful attempts by others to find the solution provided by the claimed invention;]
- [(4) copying of the claimed invention by others;]
- [(5) unexpected superior results from the claimed invention;]
- [(6) acceptance by others of the claimed invention as shown by praise from others in the field or from the licensing of the claimed invention; and]
- [(7) independent invention of the claimed invention by others before or at about the same time as the named inventor thought of it.]

[The presence of any of the [list 1-6 as appropriate] considerations may be an indication that a claimed invention would not have been obvious at the time this invention was made, and the presence of the [list 7] consideration may be an indication that the claimed invention would have been obvious at such time. Although you must consider any evidence of these considerations, the importance of any of them to your decision on whether the claimed invention would have been obvious is up to you.]

Authorities

35 U.S.C. § 103; *Graham v. John Deere Co.*, 383 U.S. 1 (1966); *Ruiz v. A.B. Chance Co.*, 234 F.3d 654 (Fed. Cir. 2000); *Arkie Lures, Inc. v. Gene Larew Tackle, Inc.*, 119 F.3d 953, 957 (Fed. Cir. 1997); *Specialty Composites v. Cabot Corp.*, 845 F.2d 981, 991 (Fed. Cir. 1988); *Windsurfing Int'l, Inc. v. AMF, Inc.*, 782 F.2d 995, 1000 (Fed. Cir. 1986); *Pentec, Inc. v. Graphic Controls Corp.*, 776 F.2d 309, 313 (Fed. Cir. 1985). See *Novo Nordisk A/S v. Becton Dickinson & Co.*, 304 F.3d 1216, 1219-20 (Fed. Cir. 2002).

B.4.3 Validity—The Claims

4.3bi SCOPE AND CONTENT OF PRIOR ART

[Patent holder] and [alleged infringer] disagree as to whether [identify prior art reference(s)] should be included in the prior art you use to decide the validity of claims [] of the [] patent. In order to be considered as prior art to the [] patent, these references must be reasonably related to the claimed invention of that patent. A reference is reasonably related if it is in the same field as the claimed invention or is from another field that a person of ordinary skill in the field would look to in trying to solve the problem the named inventor was trying to solve.

Authorities

Graham v. John Deere Co., 383 U.S. 1 (1966); *Ruiz v. A.B. Chance Co.*, 234 F.3d 654, 664-65 (Fed. Cir. 2000); *Wang Labs. v. Toshiba Corp.*, 993 F.2d 858, 864 (Fed. Cir. 1993).

B.4.3 Validity—The Claims

4.3bii DIFFERENCES OVER THE PRIOR ART

In reaching your conclusion as to whether or not claim [] would have been obvious at the time the claimed invention was made, you should consider any difference or differences between the [identify prior art reference(s)] and the claimed requirements.

Authorities

Graham v. John Deere Co., 383 U.S. 1 (1966); *Yamanouchi Pharm. Co. v. Danbury Pharmacal, Inc.*, 231 F.3d 1339, 1343-45 (Fed. Cir. 2000); *In re Kotzab*, 217 F.3d 1365, 1369 (Fed. Cir. 2000); *Northern Telecom, Inc. v. Datapoint Corp.*, 908 F.2d 931, 935 (Fed. Cir. 1990).

B.4.3 Validity—The Claims

4.3biii LEVEL OF ORDINARY SKILL

Several times in my instructions I have referred to a person of ordinary skill in the field of [identify field]. It is up to you to decide the level of ordinary skill in the field of [identify field]. You should consider all the evidence introduced at trial in making this decision, including:

- (1) the levels of education and experience of persons working in the field;
- (2) the types of problems encountered in the field; and
- (3) the sophistication of the technology.

[Patent holder] contends that the level of ordinary skill in the field was []. [Alleged infringer] contends that the level of ordinary skill in the field was [].

Authorities

Graham v. John Deere Co., 383 U.S. 1 (1966); *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1125 (Fed. Cir. 2000); *SIBIA Neurosciences, Inc. v. Cadus Pharm. Corp.*, 225 F.3d 1349, 1355 (Fed. Cir. 2000); *Ryko Mfg. Co. v. Nu-Star, Inc.*, 950 F.2d 714, 718-19 (Fed. Cir. 1991).

4.3c INVENTORSHIP

[Alleged infringer] can meet its burden of proving that a patent is invalid by showing that it fails to meet the requirement to name all actual inventors and only the actual inventors.⁸ This is known as the “inventorship” requirement. To be an inventor, one must make a significant contribution to the conception of one or more claims of the patent. Persons may be inventors even though they do not physically work together or make the same type or amount of contribution, or contribute to the subject matter of each claim of the patent. However, merely helping with experimentation by carrying out the inventor’s instructions or explaining to the actual inventors well-known concepts or the current state of the art does not make someone an inventor.

Authorities

35 U.S.C. § 102(f) and 35 U.S.C. § 256; *Pannu v. Iolab Corp.*, 155 F.3d 1344, 1349-50 (Fed. Cir. 1998) (“If a patentee demonstrates that inventorship can be corrected as provided for in Section 256, a district court must order correction of the patent, thus saving it from being rendered invalid.” *Id.* at 1350.); *Hess v. Advanced Cardiovascular Sys.*, 106 F.3d 976, 980 (Fed. Cir. 1997); *Burroughs Wellcome Co. v. Barr Lab.*, 40 F.3d 1223, 1227-28 (Fed. Cir. 1994); *Shatterproof Glass Corp. v. Libbey-Owens Ford Co.*, 758 F.2d 613, 624 (Fed. Cir. 1985).

⁸ Alleged infringer, in order to meet its burden of proof, must present corroborating evidence of a contemporaneous disclosure that would enable one skilled in the field to make the claimed invention. Corroborating evidence may take many forms and is evaluated under a rule of reason analysis. The court should tailor instructions to the specific facts of the case. See *Linear Tech. Corp. v. Impala Linear Corp.*, Nos. 02-1569,-1576, 2004 U.S. App. LEXIS 11882 (Fed. Cir. 2004); *Univ. of Colo. Found., Inc. v. Am. Cyanimid Co.*, 342 F.3d 1298 (Fed. Cir. 2003).

B.5. Patent Damages

5.1 DAMAGES – BURDEN OF PROOF

I will instruct you about the measure of damages. By instructing you on damages, I am not suggesting which party should win on any issue. If you find that [alleged infringer] infringed any valid claim of the [] patent, you must then determine the amount of money damages to be awarded to [patent holder] to compensate it for the infringement.

The amount of those damages must be adequate to compensate [patent holder] for the infringement. A damages award should put the patent holder in approximately the financial position it would have been in had the infringement not occurred, but in no event may the damages award be less than a reasonable royalty. You should keep in mind that the damages you award are meant to compensate the patent holder and not to punish an infringer.

[Patent holder] has the burden to persuade you of the amount of its damages. You should award only those damages that [patent holder] more likely than not suffered. While [patent holder] is not required to prove its damages with mathematical precision, it must prove them with reasonable certainty. [Patent holder] is not entitled to damages that are remote or speculative.

Authorities

Dow Chem. Co. v. Mee Indus., Inc., 341 F.3d 1370, 1381-82 (Fed. Cir. 2003); *Integra Lifesciences I, Ltd. v. Merck KGaA*, 331 F.3d 860, 870 (Fed. Cir. 2003); *Grain Processing Corp. v. American Maize-Prod. Co.*, 185 F.3d 1341, 1349 (Fed. Cir. 1999); *Maxwell v. J. Baker, Inc.*, 86 F.3d 1098, 1108-09 (Fed. Cir. 1996); *Rite-Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1545 (Fed. Cir. 1995) (*en banc*).

B.5. Patent Damages

5.2 LOST PROFITS – GENERALLY

In this case, [patent holder] seeks to recover lost profits for some of [alleged infringer]’s sales of [infringing product], and a reasonable royalty on the rest of [alleged infringer]’s sales.

To recover lost profits for infringing sales, [patent holder] must show that but for the infringement there is a reasonable probability that it would have made sales that [alleged infringer] made of the infringing product. [Patent holder] must show the share of [alleged infringer]’s sales that it would have made if the infringing product had not been on the market.

You must allocate the lost profits based upon the customer demand for the patented feature of the infringing [product] [method]. That is, you must determine which profits derive from the patented invention that [alleged infringer] sells, and not from other features of the infringing [product] [method].

Authorities

35 U.S.C. § 284; *Aro Mfg. Co. v. Convertible Top Co.*, 377 U.S. 476, 502-07 (1964); *Beauregard v. Mega Sys., LLC*, 350 F.3d 1327, 1345-46 (Fed. Cir. 2003); *Central Soya Co. v. George A. Hormel & Co.*, 723 F.2d 1573, 1579 (Fed. Cir. 1983); *Lam, Inc. v. Johns-Mansville Corp.*, 718 F.2d 1056, 1065 (Fed. Cir. 1983).

B.5. Patent Damages

5.3 LOST PROFITS – FACTORS TO CONSIDER

[Patent holder] is entitled to lost profits if it proves all of the following:

- (1) that there was a demand for the patented [product] [method] [product produced by the method];
- (2) that there were no non-infringing substitutes, or, if there were, the number of the sales made by [alleged infringer] that [patent holder] would have made despite the availability of other acceptable non-infringing substitutes. An alternative may be considered available as a potential substitute even if it was not actually on sale during the infringement period. Factors suggesting that the alternative was available include whether the material, experience, and know-how for the alleged substitute were readily available. Factors suggesting that the alternative was not available include whether the material was of such high cost as to render the alternative unavailable and whether [alleged infringer] had to design or invent around the patented technology to develop an alleged substitute;
- (3) that [patent holder] had the manufacturing and marketing capacity to make any infringing sales actually made by the infringer and for which [patent holder] seeks an award of lost profits; and
- (4) the amount of profit that [patent holder] would have made if [alleged infringer] had not infringed.

Authorities

Ericsson, Inc. v. Harris Corp., 352 F.3d 1369, 1377-79 (Fed. Cir. 2003); *Micro Chem., Inc. v. Lextron, Inc.*, 318 F.3d 1119, 1123 (Fed. Cir. 2003); *Gargoyles, Inc. v. United States*, 113 F.3d 1572, 1577-78 (Fed. Cir. 1997); *Carella v. Starlight Archery*, 804 F.2d 135, 141 (Fed. Cir. 1986); *Gyromat Corp. v. Champion Spark Plug Co.*, 735 F.2d 549, 552 (Fed. Cir. 1984); *Panduit Corp. v. Stahl Bros. Fibre Works, Inc.*, 575 F.2d 1152, 1156 (6th Cir. 1978).

B.5. Patent Damages

5.3a LOST PROFITS – MARKET SHARE

One way [patent holder] may prove the number of sales it would have made if the infringement had not happened is to prove its share of the relevant market excluding infringing products. You may award [patent holder] a share of profits equal to that market share.

In deciding [patent holder]'s market share, you must decide which products are in [patent holder]'s market. Products are in the same market if they are sufficiently similar to compete against each other. Two products are sufficiently similar if one does not have a significantly higher price than or possess characteristics significantly different than the other.

Authorities

Micro Chem., Inc. v. Lextron, Inc., 318 F.3d 1119, 1124 (Fed. Cir. 2003); *Crystal Semiconductor Corp. v. Tritech Microelectronics Int'l, Inc.*, 246 F.3d 1336, 1354-55 (Fed. Cir. 2001); *State Indus., Inc. v. Mor-Flo Indus., Inc.*, 883 F.2d 1573, 1580 (Fed. Cir. 1989).

B.5. Patent Damages

5.4 LOST PROFITS – COLLATERAL SALES

In this case, [patent holder] is seeking profits from sales of [x], which it contends it would have sold along with [y]. These products are called collateral products.

To recover lost profits on sales of such collateral products, [patent holder] must prove two things. First, that it is more likely than not that [patent holder] would have sold the collateral products but for the infringement. Second, a collateral product and the patented product together must be analogous to components of a single assembly or parts of a complete machine, or they must constitute a functional unit.

Authorities

Rite-Hite Corp. v. Kelley Co., 56 F.3d 1538, 1550 (Fed. Cir. 1995) (*en banc*); *State Indus., Inc. v. Mor-Flo Indus., Inc.*, 883 F.2d 1573, 1580 (Fed. Cir. 1989); *Panduit Corp. v. Stahlin Bros. Fibre Works, Inc.*, 575 F.2d 1152, 1157-58 (6th Cir. 1978).

B.5. Patent Damages

5.5 LOST PROFITS – PRICE EROSION

[Patent holder] can recover additional damages if it can show to a reasonable probability that, if there had been no infringement, [patent holder] would have been able to charge higher prices for some of its products. In that case, you may also award as additional damages the amount represented by the difference between the amount of profits that [patent holder] would have made by selling its product at the higher price and the amount of profits [patent holder] actually made by selling its product at the lower price that [patent holder] charged for its product. This type of damage is referred to as price erosion damage.

If you find that [patent holder] suffered price erosion, you may also use the higher price in determining [patent holder]'s lost profits from sales lost because of the infringement. In calculating a patentee's total losses from price erosion, you must take into account any drop in sales that would have resulted from a higher price.

You may also award as damages the amount of any increase in costs of [patent holder], such as additional marketing costs, caused by competition from the infringing product.

Authorities

Ericsson, Inc. v. Harris Corp., 352 F.3d 1369, 1377-79 (Fed. Cir. 2003); *Vulcan Eng'g Co. v. FATA Aluminum, Inc.*, 278 F.3d 1366, 1377 (Fed. Cir. 2002); *Crystal Semiconductor Corp. v. Tritech Microelectronics Int'l, Inc.*, 246 F.3d 1336, 1358 (Fed. Cir. 2001); *Minco, Inc. v. Combustion Eng'g, Inc.*, 95 F.3d 1109, 1120 (Fed. Cir. 1996); *BIC Leisure Prods., Inc. v. Windsurfing Int'l, Inc.*, 1 F.3d 1214, 1220 (Fed. Cir. 1993); *Kalman v. Berlyn Corp.*, 914 F.2d 1473, 1485 (Fed. Cir. 1990).

B.5. Patent Damages

5.6 REASONABLE ROYALTY – ENTITLEMENT

If [patent holder] has not proved its claim for lost profits, or has proved its claim for lost profits for only a portion of the infringing sales, then [patent holder] should be awarded a reasonable royalty for all infringing sales for which it has not been awarded lost profits damages.

Authorities

35 U.S.C. § 284; *Crystal Semiconductor Corp. v. Tritech Microelectronics Int'l, Inc.*, 246 F.3d 1336 (Fed. Cir. 2001); *Fromson v. Western Litho Plate & Supply Co.*, 853 F.2d 1568, 1574 (Fed. Cir. 1998); *Minco, Inc. v. Combustion Eng'g, Inc.*, 95 F.3d 1109, 1119-20 (Fed. Cir. 1996); *Mahurkar v. C.R. Bard, Inc.*, 79 F.3d 1572, 1579 (Fed. Cir. 1996); *Rite-Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1554 (Fed. Cir. 1995) (*en banc*).

B.5. Patent Damages

5.7 REASONABLE ROYALTY – DEFINITION

A royalty is a payment made to a patent holder in exchange for rights to make, use or sell the claimed invention. A reasonable royalty is the payment that would have resulted from a negotiation between a patent holder and the infringer taking place at the time when the infringing sales first began. In considering the nature of this negotiation, the focus is on what the expectations of the patent holder and infringer would have been had they entered into an agreement at that time and acted reasonably in their negotiations. However, you must assume that both parties believed the patent was valid and infringed. In addition, you must assume that patent holder and infringer were willing to enter into an agreement; your role is to determine what that agreement would have been. The test for damages is what royalty would have resulted from the hypothetical negotiation and not simply what either party would have preferred.

In this trial, you have heard evidence of things that happened after the infringing sales first began. That evidence can be considered only to the extent that [add appropriate limitations on consideration of later occurring events]. You may not limit or increase the royalty based on the actual profits [alleged infringer] made.

Authorities

Golight, Inc., v. Wal-Mart Stores, Inc., 355 F.3d 1327, 1338 (Fed. Cir. 2004); *Maxwell v. Baker, Inc.*, 86 F.3d 1098, 1108-10 (Fed. Cir. 1996); *Mahurkar v. C.R. Bard, Inc.*, 79 F.3d 1572, 1579-81 (Fed. Cir. 1996); *Rite-Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1554 (Fed. Cir. 1995) (*en banc*); *Georgia-Pacific Corp. v. United States Plywood Corp.*, 318 F. Supp. 1116, 1120 (S.D.N.Y. 1970).

B.5. Patent Damages

5.8 DATE OF COMMENCEMENT– PRODUCTS⁹

Damages that [patent holder] may be awarded by you commence on the date that [alleged infringer] has both infringed and been notified of the [] patent: [use those that apply to this case]

[– [Patent holder] and [alleged infringer] agree that date was [insert date];]

[– Since [patent holder] sells a product that includes the claimed invention but has not marked that product with the patent number, you must determine the date that [alleged infringer] received actual written notice of the [] patent and the specific product alleged to infringe;]

[– Since [patent holder] [marks the product] or [does not sell a product covered by the patent], then damages begin without the requirement for actual notice under the following circumstances:

If the [] patent was granted before the infringing activity began, damages should be calculated as of the date you determine that the infringement began; or

If the [] patent was granted after the infringing activity began as determined by you, damages should be calculated as of [date patent issued].]

Authorities

35 U.S.C. § 287; *Crystal Semiconductor Corp. v. Tritech Microelectronics Int'l, Inc.*, 246 F.3d 1336 (Fed. Cir. 2001); *Nike Inc. v. Wal-Mart Stores*, 138 F.3d 1437, 1443-44 (Fed. Cir. 1998); *Maxwell v. Baker, Inc.*, 86 F.3d 1098, 1108-09 (Fed. Cir. 1996); *American Med. Sys. v. Medical Eng'g Corp.*, 6 F.3d 1523, 1534 (Fed. Cir. 1993); *Devices for Med., Inc. v. Boehl*, 822 F.2d 1062, 1066 (Fed. Cir. 1987).

⁹ This instruction may be used when the claim is an apparatus or product claim and [alleged infringer] is a direct infringer. Different rules may apply if the claim is a method claim or [alleged infringer] is an inducer or contributory infringer.

GLOSSARY

Some of the terms in this glossary will be defined in more detail in the legal instructions you are given. The definitions in the instructions must be followed and must control your deliberations.

[Add any technical terms from the art involved that may be used during trial and have agreed-upon definitions and delete any of the following terms which may not be applicable in a particular case.]

Abstract: A brief summary of the technical disclosure in a patent to enable the U.S. Patent and Trademark Office and the public to determine quickly the nature and gist of the technical disclosure in the patent.

Amendment: A patent applicant's change to one or more claims or to the specification either in response to an office action taken by a Patent Examiner or independently by the patent applicant during the patent application examination process.

Anticipation: A situation in which a claimed invention describes an earlier invention and, therefore, is not considered new and is not entitled to be patented.

Assignment: A transfer of patent rights to another called an "assignee" who upon transfer becomes the owner of the rights assigned.

Best Mode: The best way the inventor actually knew to make or use the invention at the time of the patent application. If the applicant had a best mode as of the time the application was first filed, it must be set forth in the patent specification.

Claim: Each claim of a patent is a concise, formal definition of an invention and appears at the end of the specification in a separately numbered paragraph. In concept, a patent claim marks the boundaries of the patent in the same way that a legal description in a deed specifies the boundaries of land, i.e. similar to a land owner who can prevent others from trespassing on the bounded property, the inventor can prevent others from using what is claimed. Claims may be independent or dependent. An independent claim stands alone. A dependent claim does not stand alone and refers to one or more other claims. A dependent claim incorporates whatever the other referenced claim or claims say.

Conception: The complete mental part of the inventive act which must be capable of proof, as by drawings, disclosure to another, etc.

Drawings: The drawings are visual representations of the claimed invention contained in a patent application and issued patent, and usually include several figures illustrating various aspects of the claimed invention.

Elements: The required parts of a device or the required steps of a method. A device or method infringes a patent if it contains each and every requirement of a patent claim.

Embodiment: A product or method that contains the claimed invention.

Enablement: A description of the invention that is sufficient to enable persons skilled in the field of the invention to make and use the invention. The specification of the patent must contain such an enabling description.

Examination: Procedure before the U.S. Patent and Trademark Office whereby a Patent Examiner reviews the filed patent application to determine if the claimed invention is patentable.

Filing Date: Date a patent application, with all the required sections, has been submitted to the U.S. Patent and Trademark Office.

Infringement: Violation of a patent occurring when someone makes, uses or sells a patented invention, without permission of the patent holder, within the United States during the term of the patent. Infringement may be direct, by inducement, or contributory. Direct infringement is making, using or selling the patented invention without permission. Inducing infringement is intentionally causing another to directly infringe a patent. Contributory infringement is offering to sell or selling an item that is a significant part of the invention, so that the buyer directly infringes the patent. To be a contributory infringer one must know that the part being offered or sold is designed specifically for infringing the patented invention and is not a common object suitable for non-infringing uses.

Limitation: A required part of an invention set forth in a patent claim. A limitation is a requirement of the invention. The word “limitation” is often used interchangeably with the word “requirement.”

Nonobviousness: One of the requirements for securing a patent. To be valid, the subject matter of the invention must not have been obvious to a person of ordinary skill in the field of the invention at the time of the earlier of the filing date of the patent application or the date of invention.

Office Action: A written communication from the Patent Examiner to the patent applicant in the course of the application examination process.

Patent: A patent is an exclusive right granted by the U.S. Patent and Trademark Office to an inventor to prevent others from making, using or selling an invention for a term of 20 years from the date the patent application was filed (or 17 years from the date the patent issued). When the patent expires, the right to make, use or sell the invention is dedicated to the public. The patent has three parts, which are a specification, drawings and claims. The patent is granted after examination by the U.S. Patent and Trademark Office of a patent application filed by the inventor which has these parts, and this examination is called the prosecution history.

Patent and Trademark Office (PTO): An administrative branch of the U.S. Department of Commerce that is charged with overseeing and implementing the federal laws of patents and trademarks. It is responsible for examining all patent applications and issuing all patents in the United States.

Prior Art: Previously known subject matter in the field of a claimed invention for which a patent is being sought. It includes issued patents, publications, and knowledge deemed to be publicly available such as trade skills, trade practices and the like.

Prosecution History: The prosecution history is the complete written record of the proceedings in the PTO from the initial application to the issued patent. The prosecution history includes the office actions taken by the PTO and the amendments to the patent application filed by the applicant during the examination process.

Reads On: A patent claim “reads on” a device or method when each required part (requirement) of the claim is found in the device or method.

Reduction to Practice: The invention is “reduced to practice” when it is sufficiently developed to show that it would work for its intended purpose.

Requirement: A required part or step of an invention set forth in a patent claim. The word “requirement” is often used interchangeably with the word “limitation.”

Royalty: A royalty is a payment made to the owner of a patent by a non-owner in exchange for rights to make, use or sell the claimed invention.

Specification: The specification is a required part of a patent application and an issued patent. It is a written description of the invention and of the manner and process of making and using the claimed invention.